

Attorney or Party Name, Address, Telephone and Fax Number, and CA State Bar No.

FOR COURT USE ONLY

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**UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA**

In re:
JOSE AVELAR,

Debtor(s).

CASE NO.: **6:09-bk-11938 MJ**
Chapter 7

NOTICE OF SALE OF ESTATE PROPERTY

Sale Date: **January 5, 2010**

Time: **10:00 a.m.**

Location: **Courtroom 302, U.S. Bankruptcy Court, 3420 Twelfth Street, Riverside, CA 92501**

Type of Sale:

☐ Public

☒ Private

Last date to file objections:

See attached Sale Motion

Description of Property to be Sold:

Real property located at: 21293 Johns Street, Perris, CA 92570

Terms and Conditions of Sale:

See the attached Notice of Hearing on Motion and Chapter 7 Trustee's Motion for Order: (1) Approving Sale of Residential Real Property; (2) Approving Overbid Procedures; and (3) Granting Related Relief ("Sale Motion")

Proposed Sale Price:

\$70,000.00 - see the attached Sale Motion for further terms of the sale

Overbid Procedure (If Any):

See the attached Sale Motion for overbid procedure

If property is to be sold free and clear of liens or other interests, list date, time and location of hearing:

January 5, 2010 at 10:00 a.m.

Contact Person for Potential Bidders (include name, address, telephone, fax and/or e:mail address):

Leonard M. Shulman, Esq.
Shulman Hodges & Bastian LLP
26632 Towne Centre Drive, Suite 300, Foothill Ranch, CA 92610
Telephone: (949) 340-3400; Facsimile: (949) 340-3000

Date: **December 15, 2009**

COPY

Leonard M. Shulman – Bar No. 126349
Melissa R. Davis – Bar No. 245521
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Attorneys for Robert L. Goodrich, Chapter 7 Trustee

UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA, RIVERSIDE DIVISION

In re

JOSE AVELAR,

Debtors.

Case No. 6:09-bk-11938-MJ

Chapter 7

**NOTICE OF HEARING ON MOTION AND
CHAPTER 7 TRUSTEE'S MOTION FOR
ORDER:**

**(1) AUTHORIZING SALE OF
RESIDENTIAL REAL PROPERTY;**

**(2) APPROVING OVERBID
PROCEDURES; AND**

(3) GRANTING RELATED RELIEF

**MEMORANDUM OF POINTS AND
AUTHORITIES AND DECLARATIONS OF
ROBERT L. GOODRICH AND RICHARD A.
HALDERMAN, JR. IN SUPPORT THEREOF**

[Property Located at: 21293 Johns Street, Perris,
California 92570]

Date: January 5, 2010
Time: 10:00 a.m.
Place: Courtroom 302
1420 Twelfth Street
Riverside, CA 92501

**TO THE HONORABLE MEREDITH JURY, UNITED STATES BANKRUPTCY JUDGE,
THE OFFICE OF THE UNITED STATES TRUSTEE, AND ALL INTERESTED
PARTIES AND THEIR COUNSEL OF RECORD:**

NOTICE

PLEASE TAKE NOTICE that on January 5, 2010 at 10:00 a.m. in Courtroom 302 of the United States Bankruptcy Court located at 3420 Twelfth Street, Riverside, California, a hearing will be held on the Motion of Robert L. Goodrich ("Trustee"), the Chapter 7 trustee for the bankruptcy estate of Jose Avelar ("Debtor") for Order: (1) Authorizing Sale of Residential Real Property; (2) Approving Overbid Procedures; and (3) Granting Related Relief (the "Sale Motion").

The Sale Motion is made and based upon the allegations and representations set forth herein, the attached Memorandum of Points and Authorities, the attached Declarations of Robert L. Goodrich and Richard A. Halderman, Jr., the pleadings and documents on file in this case, and all supplemental evidence, both oral and documentary, which may be submitted to the Court at or before the time of hearing on the Sale Motion.

PLEASE TAKE FURTHER NOTICE, that objections to the Sale Motion, if any, shall be filed with the Clerk of the above Court and a copy served upon Shulman Hodges & Bastian LLP to the attention of Leonard M. Shulman, 26632 Towne Centre Drive, Suite 300, Foothill Ranch, CA 92610 and the Office of the United States Trustee at 3685 Main Street, Suite 300, Riverside, CA 92501, no later than fourteen (14) days prior to the scheduled hearing in the form required by Local Bankruptcy Rule 9013-1(f). Failure to file a timely response may be deemed as consent to the relief requested in the Sale Motion. **See, Local Bankruptcy Rule 9013-1(h).**

SHULMAN HODGES & BASTIAN LLP

Dated: December 15, 2009 By: /s/ Melissa R. Davis
Leonard M. Shulman
Melissa R. Davis
Attorneys for Robert Goodrich, Chapter 7 Trustee

I. INTRODUCTION

As set forth below, the Trustee has received an offer to purchase the real property located at 21293 Johns Street, Perris California 92570 ("Property") and not including the mobile home located at the rear of the property from Jose Casteneda and Lourdes Arvizu ("Buyers"), for the sum of \$70,000.00 ("Purchase Price"). The Trustee has accepted the Purchase Price subject to bankruptcy court approval. The Trustee believes that acceptance of the Purchase Price is in the best interest of the Estate. Through the sale, the Trustee is expected to generate net proceeds (after payment of all encumbrances and other costs associated with the sale) of approximately **\$23,000.00** ("Net Proceeds"). In support of the Sale Motion, the Trustee respectfully represents as follows:

II. BACKGROUND INFORMATION

A. Case Commencement

1. The Debtor filed a voluntary petition for relief under Chapter 7 of the Bankruptcy Code on February 4, 2009.

2. Robert Goodrich is the duly appointed, qualified and acting Chapter 7 Trustee for the Debtor's Estate.

3. In his amended bankruptcy schedules, Schedule A, the Debtor lists an interest in real property located at 21293 John Street, Perris, CA 92570 with a fair market value of \$169,000 with liens against it in the amount of \$40,247.57. The Trustee is advised that as of November 13, 2009, the total owed to the trust deed holder is \$40,654.39.

4. Pursuant to the Order Authorizing Employment of Richard A. Halderman, Jr. Real Estate as Realtor entered on September 2, 2009, the Trustee was authorized to employ Richard A. Halderman, Jr., a licensed realtor and broker, as his real estate agent to procure and submit offers to purchase the Property. As set forth in the Trustee's application to employ Mr. Halderman, Mr. Halderman will be entitled to a real estate agent's commission in an amount equal to six percent (6%) of the purchase price.

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1 5. After Mr. Halderman was employed, he listed the Property for sale at a price of
2 \$90,000. The Property has been on the market for approximately 75 days, has received some
3 interest and the currently proposed offer is the only offer the Trustee has received thus far.

4 6. The Trustee is uncertain why the Debtor listed the Property with such a high value
5 in his schedules, but the Trustee and Mr. Halderman believe the price offered is reasonable for
6 the reasons discussed herein which include but are not limited to the following: (1) the well on
7 the Property is dry and the Debtor has been forced to buy water from his neighbor for the past
8 three to five years; (2) the Property can only be accessed by an ungraded dirt road which is
9 severely rutted; and (3) the coaches are not on permanent foundations, which could pose a
10 problem in trying to obtain outside financing. The currently proposed offer is all cash, which
11 provides certainty, and will provide equity to pay creditors.

12 **B. Terms of Sale**

13 7. The Trustee has received an offer from the Buyers to purchase the Property for
14 \$70,000.00. A copy of the Residential Purchase Agreement and Joint Escrow Instructions
15 (“Agreement”) is attached to the Goodrich Declaration as **Exhibit “1”** which sets forth all the
16 terms of the Agreement.

17 In brief, the terms of the Agreement are as follows:

18 a. Purchase Price. The purchase price for the Property shall be \$70,000.00
19 (“Purchase Price”) to be paid in cash.

20 b. Closing. Title insurance will be purchased through Fidelity Title and all escrow
21 costs will be split 50/50 between the Estate and the Buyers.

22 c. Bankruptcy Court Approval. The sale is expressly conditioned on approval of the
23 United States Bankruptcy Court for the Central District of California, Riverside Division and
24 entry of final order approving this Motion.

25 d. No Representations. The sale is “as is – where is.” Thus, the Trustee is not
26 making any representations or warranties, either express or implied, as to the Property’s
27 condition, uses (prior, present and future), or otherwise. Moreover, the Trustee shall not warrant
28 or represent the Property’s compliance with any applicable federal, state or local environmental

1 laws, zoning laws or applicable regulation. The Buyers shall agree that the Buyers are acquiring
2 the Property “as is,” with all faults and conditions then existing on the Property including any
3 hazardous substances or hazardous waste that may be located on, under or around the Property,
4 whether known or unknown, and the Buyers shall assume all responsibilities for all such faults
5 and conditions, whether disclosed or not. Moreover, the Buyers shall be expressly aware and
6 fully informed that the Trustee is selling the Property in his capacity as the Chapter 7 Trustee of
7 the Debtor’s Estate.

8 e. Acknowledgement of the Trustee’s Capacity. Since the Trustee is selling the
9 Property in his capacity as the Chapter 7 Trustee for the Debtor’s Estate and further, since the
10 Property is an asset of the Debtor’s Estate, the resolution of any and all disputes between the
11 parties herein concerning the sale transaction shall be resolved by the United States Bankruptcy
12 Court for the Central District of California, Riverside Division. Further, the Trustee has agreed
13 that if a dispute arises, such dispute may initially be resolved through the Mediation Program
14 pending in the United States Bankruptcy Court for the Central District of California.

15 f. Good Faith Finding. The proposed sale has been brought in good faith and has
16 been negotiated on an “arms length” basis. The negotiations with the Buyers have resulted in an
17 offer to sell the Property that will have substantial benefit. Accordingly, the sale is in good faith
18 and should be approved. The Trustee shall request such a finding pursuant to Bankruptcy Code
19 Section 363(m) at the hearing on this Motion.

20 **C. Overbid Procedures**

21 8. The following overbid procedures (“Bidding Procedures”) shall apply to the
22 proposed sale.

23 a. Any initial overbid for the Property shall be in the amount of \$75,000 with
24 subsequent overbids in increments of \$1,000.

25 b. Overbids must be in writing and be received by the Trustee and the Trustee's
26 counsel, Shulman Hodges & Bastian LLP to the attention of Leonard M. Shulman, by no later
27 than 5:00 p.m. on December 30, 2009.

28 ///

c. The overbidder must seek to acquire the Property on terms and conditions not less favorable to the Debtor's Estate than the terms and conditions to which the Buyers have agreed to purchase the Property.

d. If overbids are timely received, the final bidding round shall be held concurrent with the hearing on this Sale Motion, in order to allow all potential bidders the opportunity to overbid and purchase the Property.

e. At the hearing on this Sale Motion, the Trustee and his counsel shall review each overbid and identify the highest and best offer for the Property received and seek Court approval of the sale of the Property to the successful bidder ("Successful Bidder").

f. In the event Successful Bidder fails to close on the sale of the Property within the time parameters approved by this Court, the Trustee will be released from his obligation to sell the Property to the Successful Bidder and the Trustee may then sell the Property to the first back-up bidder approved by this Court at the hearing on this Motion ("First Back-Up Bidder").

9. The foregoing Bidding Procedures will provide for an orderly completion of the sale of the Property and ensures that potential overbidders are provided with full disclosure as to the Bidding Procedures and the specific Property to be sold. By having all bidders compete on similar terms, the interested parties and the Court may compare competing bids in order to realize the highest benefit for the Estate. Thus, the Trustee is requesting that the Court approve the Bidding Procedures as a fair and reasonable method of realizing the highest and best price for the Property for the benefit of the Estate and its creditors.

D. Estimated Proceeds from the Sale

10. The Trustee anticipates that the sale will generate net funds for the Estate as follows:

Purchase Price	\$	70,000.00
Lien – Randolph Levin	\$	(41,000.00)
Broker Commission	\$	(4,200.00)
Other COS	\$	(1,400.00)
Net Equity to the Estate	\$	23,400.00

III.

MEMORANDUM OF POINTS AND AUTHORITIES

A. Court May Authorize The Sale Of The Property When There Is A Good Faith
Purchaser

The Trustee, after notice and hearing, may sell property of the Estate. 11 U.S.C. §363(b). The proponent of the sale must establish that there is a sound business purpose for the sale, that the sale is in the best interests of the Estate, i.e., the sale is for a fair and reasonable price, that there is accurate and reasonable notice to creditors and that the sale is made in good faith. *In re Wilde Horse Enterprises, Inc.*, 136 B.R. 830, 841 (Bankr. C.D. Cal. 1991); *In re Lionel Corp.*, 722 F.2d 1063, 1069 (2d Cir. 1983). Business justification would include the need to close a sale to one of very few serious bidders where an asset has been extensively shopped and a delay could jeopardize the transaction. *See, e.g., In re Crowthers McCall Pattner, Inc.*, 114 B.R. 877, 885 (Bankr. S.D.N.Y. 1990) (extreme difficulty finding a buyer justified merger when buyer found). The Trustee's proposed sale of Property meets the foregoing criteria.

1. *Sound Business Purpose*

The Ninth Circuit in *In re Walter*, 83 B.R. 14 (Bankr. 9th Cir. 1988) has adopted a flexible, case by case test to determine whether the business purpose for a proposed sale justifies disposition of property of the estate under Section 363(b). In *Walter*, the Ninth Circuit, adopting the reasoning of the Fifth Circuit in *In re Continental Air Lines, Inc.*, 780 F.2d 1223 (5th Cir. 1986), and the Second Circuit in *In re Lionel Corp.*, 722 F.2d 1063 (2d Cir. 1983), set forth the following standard to be applied under Bankruptcy Code Section 363 (b).

Whether the proffered business justification is sufficient depends on the case. As the Second Circuit held in *Lionel*, the bankruptcy judge should consider all salient factors pertaining to the proceeding and, accordingly, act to further the diverse interests of the debtor, creditors and equity holders, alike. He might, for example, look to such relevant factors as the proportionate value of the assets to the estate as a whole, the amount of lapsed time since the filing, the likelihood that a plan of reorganization will be proposed and confirmed in the near future, the effect of the proposed disposition on future plans of reorganization, the proceeds to be obtained from the disposition vis-a-vis any appraisals of the property, which of the alternatives of use, sale or lease the proposal envisions and, most importantly perhaps, whether the asset is increasingly or decreasing in value. This list is not intended to be exclusive, but merely to provide guidance to the bankruptcy judge.

1 *Walter, supra*, at 19-20 [quoting *In re Continental Air Lines, Inc.*, 780 F.2d 1223, 1226 (5th Cir.
2 1986)].

3 In the present case, there is a sound business purpose for the sale. The sale as proposed
4 will provide net for the Estate of approximately \$23,000.00. The Trustee believes that the sale
5 pursuant to this Sale Motion will be at fair market value because it is the highest offer that the
6 Estate has received thus far and it will yield significant equity for the Estate. If the sale is not
7 approved, the Estate will not realize any funds and thus there will be no funds to distribute to the
8 Estate's creditors until another buyer can be found. With the current state of the economy, it is
9 very uncertain how long it will take to find another buyer and at what price for the Property. The
10 proposed sale gives certainty and allows the Trustee to close the transaction quickly. In
11 addition, the proposed sale is an all cash offer which would provide immediate funds available to
12 the Trustee to distribute to creditors.

13 Therefore, the Trustee respectfully submits that, if this Court applies the good business
14 reason standard suggested by the Second Circuit in *Lionel*, the Sale Motion should be approved.

15 *2. The Sale Serves the Best Interests of the Estate and Creditors*

16 The benefits to the Estate will be substantial. The Trustee has made a business decision
17 that it is in the best interest of the creditors of this Estate that this Sale Motion be approved. If
18 the sale is approved, there will be a net equity of approximately \$23,000.00 in cash, which is
19 much more than the Estate would have if the sale is not approved. Accordingly, it would be in
20 the best interest of the Estate if the sale is approved.

21 Should the sale not be approved, the Property would have to be further marketed for sale
22 and it could take many months to receive another offer. Although the Debtor's bankruptcy
23 schedules list the Property as worth \$169,000, Mr. Halderman believes the Property is worth
24 closer to \$90,000 or less, taking into consideration the following: (1) the well on the Property is
25 dry and the Debtor has been forced to buy water from his neighbor for the past three to five
26 years; (2) the Property can only be accessed by an ungraded dirt road which is severely rutted;
27 and (3) the coaches are not on permanent foundations, which could pose a problem in trying to
28 obtain outside financing.

1 The currently proposed sale provides certainty and an all-cash payment.

2 **3. *Accurate and Reasonable Notice***

3 It is expected that notice of this Sale Motion will satisfy the requirements for accurate
4 and reasonable notice and will be appropriate under the circumstances. The Trustee shall
5 provide notice of the proposed sale of the Property to the proper parties. The Notice of this Sale
6 Motion will include a summary of the terms and conditions of the proposed sale, how to file an
7 objection, and a general description of the Property. The Trustee submits that the notice
8 requirements will have been satisfied, thereby allowing creditors and parties in interest an
9 opportunity to object to the sale. Hence, no further notice should be necessary.

10 **4. *The Sale is Made in Good Faith***

11 The proposed sale has been brought in good faith and has been negotiated on an “arms
12 length” basis. The court in *Wilde Horse Enterprises*, set forth the factors in considering whether
13 a transaction is in good faith. The court stated:

14 “Good faith” encompasses fair value, and further speaks to the integrity of the
15 transaction. Typical 'bad faith' or misconduct, would include collusion between
16 the seller and buyer, or any attempt to take unfair advantage of other potential
17 purchasers. . . . And, with respect to making such determinations, the court and
creditors must be provided with sufficient information to allow them to take a
position on the proposed sale. (citations omitted)

18 Id. at 842.

19 In the present case, the negotiation of the proposed sale was an arms-length transaction.
20 The negotiations with the Buyers have resulted in an offer to sell the Property that will have
21 substantial benefit. As set forth in the Notice of the Sale Motion, the creditors will have been
22 provided with sufficient notice of the sale. Accordingly, the sale is in good faith and should be
23 approved. The Trustee shall request such a finding pursuant to Bankruptcy Code Section 363(m)
24 at the hearing on this Sale Motion.

25 **B. The Court Has The Authority To Approve The Bidding Procedures**

26 Implementation of the Bidding Procedures is an action outside of the ordinary course of
27 business. Bankruptcy Code Section 363(b)(1) provides that a trustee “after notice and hearing,
28 may use, sell or lease, other than in the ordinary course of business, property of the estate.” 11
U.S.C. § 363. Furthermore, under Bankruptcy Code Section 105 (a), “[t]he court may issue any

1 order, process, or judgment that is necessary or appropriate to carry out the provisions of this
2 title.” 11 U.S.C. § 105. Thus, pursuant to Bankruptcy Code Sections 363(b)(1) and 105(a), this
3 Court may authorize the implementation of overbidding procedures. *Id.*

4 The Ninth Circuit, in a case under the Bankruptcy Act, recognized the power of a
5 bankruptcy court to issue orders determining the terms and conditions for overbids with respect
6 to a sale of estate assets. *In re Crown Corporation*, 679 F.2d 774 (9th Cir. 1982). The *Crown*
7 *Corporation* court entered an order specifying the minimum consideration required for an
8 overbid as well as the particular contractual terms required to be offered by overbidders. *Id.* at
9 777. The *Crown Corporation* decision also approves an order requiring and setting the amount
10 of potential overbidder’s deposits and authorized courts to determine the disposition of such
11 deposits. *Id.* While the discussion is not extensive, the *Crown Corporation* decision recognizes
12 the authority of bankruptcy courts to order the implementation of bidding procedures such as
13 those proposed in the present case.

14 **1. The Overbid Procedures Are Untainted by Self-Dealing**

15 The overbid procedures have been brought in good faith and have been negotiated on an
16 “arms length” basis. Therefore, there is no prospective taint in dealings between Trustee and any
17 potential bidders.

18 **2. The Overbid Procedures Encourage Bidding And Are Fair In Amount**

19 The Bidding Procedures are designed to encourage, not hamper bidding, and are
20 reasonable under the circumstances. The bidding procedures are intended to provide potential
21 overbidders with adequate information to make an informed decision as to the amount of their
22 bid and the validity of their bid.

23 **3. The Overbid Procedures Are Fair, Reasonable And Serve The Best Interests**
24 **Of The Estate**

25 The proposed Bidding Procedures serve the Estate in several ways. First, the Bidding
26 Procedures themselves are fair, reasonable and productive. They will permit the Trustee to
27 conduct an orderly sale and obtain the best possible price on the best possible terms for the
28 Property.

1 The Bidding Procedures will ensure that all bids will be comparable. The Trustee will
2 determine which bid is the highest and best for the Estate. The comparability requirement of the
3 Bidding Procedures will make it possible to accomplish this task.

4 The Bidding Procedures will help the Trustee to obtain the highest and best possible price
5 for the Property. The Bidding Procedures institute minimum overbid increments which the
6 Trustee believes are reasonable. Thus, the Trustee will be able to obtain substantial benefit for
7 this Estate upon the sale of the Property from competing bids.

8 The most important benefit of the Bidding Procedures to the Estate is that their
9 implementation will enable the consummation of the proposed sale. Implementation of the
10 Bidding Procedures is an essential component of consummating the sale of the Property and
11 maximizing the value of the Property for the Estate and creditors. The Bidding Procedures
12 proposed by the Trustee are fair and provide for a "level playing field" for all prospective bidders
13 with respect to the Property.

14 **C. The Court Has Authority To Waive The Ten-Day Stay Of Sale**

15 Federal Rule of Bankruptcy Procedure 6004(g) provides that "[a]n order authorizing the
16 use, sale or lease of property other than cash collateral is stayed until the expiration of ten (10)
17 days after entry of the order, unless the Court orders otherwise." Fed. Rule Bankr. Proc. 6004(g).
18 Currently, escrow is scheduled to close ten (10) days after the hearing on the Sale Motion. The
19 Trustee desires to close the sale of the Property as soon as practicable after entry of an order
20 approving the sale. Accordingly, the Trustee requests that the Court, in the discretion provided it
21 under Federal Rule of Bankruptcy Procedure 6004(g), waive the ten-day stay requirement.

22 **IV.**

23 **CONCLUSION**

24 For the foregoing reasons, the Trustee respectfully requests that the Court enters an Order
25 as follows:

- 26 1. Approving the Sale Motion;
- 27 2. Finding that there is a sound business reason for the sale;
- 28 3. Finding that the sale is in the best interest of the Estate;

- 1 4. Finding that accurate and reasonable notice has been given;
2 5. Determining that the Buyers are in good faith entitled to protection under
3 Bankruptcy Code Section 363(m);
4 6. Approving the Bidding Procedures set forth herein; and
5 7. For such other and further relief as the Courts deems just and proper.

6 Respectfully submitted,

7 **SHULMAN HODGES & BASTIAN LLP**

8 */s/ Melissa R. Davis*
9 Dated: December 15, 2009 By: _____
10 Leonard M. Shulman
11 Melissa R. Davis
12 Attorneys for Robert L. Goodrich, Chapter 7 Trustee

DECLARATION OF ROBERT L. GOODRICH

I, Robert L. Goodrich, declare as follows:

1. I am the Chapter 7 Trustee of the bankruptcy estate of Jose Avelar.

2. I make this declaration in support of my Motion For Order (1) Authorizing Sale of Residential Real Property; (2) Approving Overbid Procedures; and (3) Granting Related Relief (the "Sale Motion"). If compelled to so, I would be able to competently testify to the following factual assertions to the best of my belief, knowledge and information.

3. Unless otherwise defined herein, all capitalized terms shall have the meaning set forth in the Sale Motion.

4. The bankruptcy court docket for this case indicates that the Debtor filed a voluntary petition for relief under Chapter 7 of the Bankruptcy Code on February 4, 2009.

5. I am the duly appointed, qualified and acting Chapter 7 Trustee for the Debtor's Estate.

6. In his amended bankruptcy schedules, Schedule A, the Debtor lists an interest in real property located at 21293 John Street, Perris, CA 92570 with a fair market value of \$169,000 with liens against it in the amount of \$40,247.57.

7. Pursuant to the Order Authorizing Employment of Richard A. Halderman, Jr. Real Estate as Realtor entered on September 2, 2009, I was authorized to employ Richard A. Halderman, Jr., a licensed realtor and broker, as his real estate agent to procure and submit offers to purchase the Property. As set forth in my application to employ Mr. Halderman, Mr. Halderman will be entitled to a real estate agent's commission in an amount equal to six percent (6%) of the purchase price.

8. I propose to sell the Property on an "as is – where as" basis with all faults and conditions then existing at property, and the Buyers shall agree: (1) that I am not making any representations, warranties, either express or implied, as to the condition, use (prior, present and future), or otherwise of the Property; and (2) I shall not provide the Buyers with any reports as to the conditions or uses for the Property.

9. The Property will be sold to the Buyers for a total cash price of \$70,000.00. From

1 the proceeds of the Purchase Price, I will pay the first trust deed holder in full and all other costs
2 associated with the sale. A true and correct copy of the executed Residential Purchase
3 Agreement and Joint Escrow Instructions which sets forth the terms of the sale in full is attached
4 hereto as Exhibit "1."

5 10. The sale will result in approximately \$23,000.00 of equity for the creditors and
6 provides certainty as to payment to creditors early on in this case.

7 11. I believe that the proposed sale is the best available alternative for maximizing the
8 value of the Property for the Estate and creditors. Thus, good cause exists to grant the Sale
9 Motion so that I do not lose the favorable business opportunity.

10 I declare under penalty of perjury under the laws of the United States of America that the
11 foregoing is true and correct.

12 Executed on December 18, 2009 at Grand Teton, California.

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15 Robert L. Goodrich
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DECLARATION OF RICHARD A. HALDERMAN, JR.

I, Richard A. Halderman, Jr., declare as follows:

1. I am a real estate agent duly licensed under the laws of the State of California, and have been a licensed sales agent for 32 years. I work at Lido Pacific Asset Management, with offices located at 225 North Broadway, Suite 212, Santa Ana, CA 92701.

2. I make this declaration in support of the Trustee's Motion For Order Order: (1) Authorizing Sale of Residential Real Property; (2) Approving Overbid Procedures; and (3) Granting Related Relief (the "Sale Motion").

3. If compelled to so, I would be able to competently testify to the following factual assertions to the best of my belief, knowledge and information. Any capitalized terms not otherwise defined herein shall have the meaning set forth in the Sale Motion.

4. Pursuant to the Order Authorizing Employment of Richard A. Halderman, Jr. Real Estate as Realtor entered on September 2, 2009, the Court approved the Trustee's employment of me as his real estate agent in this case.

5. I thereafter listed the property located at 21293 Johns Street, Perris, California ("Property") with the Multi-Regional Multiple Listing Service in September, 2009. I advertised the Property for sale by posting sale signs, advertising the sale in the newspaper, and conducted open houses. I originally listed the Property for sale at the sum of \$90,000. I have received some interest in the Property, approximately six (6) calls, but the current offer proposed to be approved by this Motion is the first offer I have received to purchase the Property.

5. As stated in the Employment Application, I believe the value stated in the Debtor's bankruptcy schedules of \$169,000.00 is far too high and that the Property is worth closer to \$90,000. I believe the price offered is reasonable considering for many reasons, which include but are not limited to the following: (1) the well on the Property is dry and the Debtor has been forced to buy water from his neighbor for the past three to five years; (2) the Property can only be accessed by an ungraded dirt road which is severely rutted; and (3) the coaches are not on permanent foundations, which could pose a problem in trying to obtain outside financing. The currently proposed offer is all cash.

1
2 6. Although the value of the Property may eventually increase and a higher offer
3 might be obtained in the future, it could take many months which would cost the Estate money it
4 does not have to spend.

5 I declare under penalty of perjury under the laws of the United States of America that the
6 foregoing is true and correct.

7 Executed on December 4, 2009 at Santa Ana, California.

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10 Richard A. Halderman, Jr.
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EXHIBIT “1”

NOV-24-2009 16:16

LIDO PACIFIC ASSET MANAGE

P.02

NOV-19-2009 16:33

LIDO PACIFIC ASSET MANAGE

ASSOCIATION
OF REALTORS®For use by Seller or Buyer. May be used for Multiple Counter Offer.
(C.A.R. Form CO, Revised 1004)

In re Avelar, Jose Chapter 7 Bk. #A509-11938 MJ

Date November 19, 2009 at Grand Terrace, California.
 This is a counter offer to the California Residential Purchase Agreement, ☐ Counter Offer, or ☐ Other.
 dated November 18, 2009 on property known as 21293 Johns St., Ferries, CA ("Property").
 between José Castaneda/Lourdes Arriaga ("Buyer") and R.L. Goodrich, Trustee ("Seller").

1. **TERMS:** The terms and conditions of the above referenced document are accepted subject to the following:
- Paragraphs in the Offer that require initials by all parties, but are not initialed by all parties, are excluded from the final agreement unless specifically referenced for inclusion in paragraph 1C of this or another Counter Offer.
 - Unless otherwise agreed in writing, down payment and loan amount(s) will be adjusted in the same proportion as in the original Offer.
 - Property is being sold in AS IS condition with no expressed/implied Warranties.
 - Sale subject to Bankruptcy Court approval and oversight.
 - Seller does not accept any five paragraphs 16 & 17.
 - Title insurance with Fidelity Title. Escrow fees to be split 50/50.
 - Buyer understands that the subject property has no permanent domestic water supply system. Current domestic water supply is provided by neighbor.
 - Buyer understands the purchase price does not include mobilehome located at rear of property.
 - The following attached supplements are incorporated into this Counter Offer: ☐ Addendum ☐ Property.
2. **RIGHT TO ACCEPT OTHER OFFERS:** Seller has the right to continue to offer the Property for sale or for other transaction, and to accept any other offer at any time prior to notification of acceptance, as described in paragraph 3. If this is a Seller Counter Offer, Seller's acceptance of another offer prior to Buyer's acceptance and communication of notification of this Counter Offer, shall revoke this Counter Offer.
3. **EXPIRATION:** This Counter Offer shall be deemed revoked and the deposits, if any, shall be returned unless this Counter Offer is signed by the Buyer or Seller to whom it is sent and a Copy of the signed Counter Offer is personally received by the person making this Counter Offer or Richard Balderman Jr. who is authorized to receive it, by 5:00PM on the third Day After this Counter Offer is made or, (if checked) at (date), at AM/PM. This Counter Offer may be executed in counterparts.
4. ☐ (If checked:) **MULTIPLE COUNTER OFFER:** Seller is making a Counter Offer(s) to another prospective buyer(s) on terms that may or may not be the same as in this Counter Offer. Acceptance of this Counter Offer by Buyer shall not be binding unless and until it is subsequently re-Signed by Seller in paragraph 7 below and a Copy of the Counter Offer Signed in paragraph 7 is personally received by Buyer or by who is authorized to receive it, by 5:00 PM on the third Day After this Counter Offer is made or, (if checked) by ☐ (date), at AM/PM. Prior to the completion of all of these events, Buyer and Seller shall have no duties or obligations for the purchase or sale of the Property.

OFFER: BUYER OR SELLER MAKES THIS COUNTER OFFER ON THE TERMS ABOVE AND ACKNOWLEDGES RECEIPT OF A COPY.
 Date November 23, 2009

R.L. Goodrich, Chapter 7 Trustee
 Date

6. **ACCEPTANCE:** I/WE accept the above Counter Offer ☒ SUBJECT TO THE ATTACHED COUNTER OFFER) and acknowledge receipt of a Copy.
 Date 11/28/09 Time 11:00 AM/PM
 Date 11-28-09 Time 11:02 AM/PM

7. **MULTIPLE COUNTER OFFER SIGNATURE LINE:** By signing below, Seller accepts this Multiple Counter Offer. NOT TO SELLER: Do NOT sign in this box until after Buyer signs in paragraph 6. (Paragraph 7 applies only if paragraph 4 is checked.)
 Date Time AM/PM
 Date Time AM/PM

8. (Initials) Confirmation of Acceptance: A Copy of Signed Acceptance was personally received by the maker of the Counter Offer, or that person's authorized agent as specified in paragraph 3 (or, if this is a Multiple Counter Offer, the Buyer or Buyer's authorized agent as specified in paragraph 4) on at AM/PM. A binding Agreement is created when a Copy of Signed Acceptance is personally received by the maker of the Counter Offer, or that person's authorized agent (or, if this is a Multiple Counter Offer, the Buyer or Buyer's authorized agent) whether or not confirmed in this document. Completion of this confirmation is not legally required in order to create a binding Agreement; it is solely intended to evidence the date that Confirmation of Acceptance has occurred.

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Reviewed by Date

CO REVISED 1004 (PAGE 1 OF 1) Print Date BDC Mar 05
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LIDO PACIFIC ASSET MANAGE

P.02



CALIFORNIA
ASSOCIATION
OF REALTORS®

For use by Seller or Buyer. May be used for Multiple Counter Offer.

(C.A.R. Form CO, Revised 10/04)

In re Avelar, Jose Chapter 7 Bk. #6209-11938 MJ

Date November 19, 2009 at Grand Terrace, California.
This is a counter offer to the: ☒ California Residential Purchase Agreement, ☐ Counter Offer, or ☐ Other _____ ("Offer"),
dated November 18, 2009, on property known as 21293 Johns St., Perris, CA ("Property"),
between Jose Casteneda/Lourdes Arvizu ("Buyer") and R.L. Goodrich, Trustee ("Seller").

1. **TERMS:** The terms and conditions of the above referenced document are accepted subject to the following:
- Paragraphs in the Offer that require initials by all parties, but are not initiated by all parties, are excluded from the final agreement unless specifically referenced for inclusion in paragraph 1C of this or another Counter Offer.
 - Unless otherwise agreed in writing, down payment and loan amount(s) will be adjusted in the same proportion as in the original Offer.
 - Property is being sold in AS IS condition with no expressed/implicit warranties.
 - Sale subject to Bankruptcy Court approval and overbid.
 - Seller does not accept page five, paragraphs 16 & 17.
 - Title insurance with Fidelity Title. Escrow fees to be split 50/50.
 - Buyer understands that the subject property has no permanent domestic water supply system. Current domestic water supply is provided by neighbor.
 - Buyer understands the purchase price does not include mobilehome located at rear of property.
 - The following attached supplements are incorporated into this Counter Offer: ☐ Addendum No. _____
2. **RIGHT TO ACCEPT OTHER OFFERS:** Seller has the right to continue to offer the Property for sale or for other transaction, and to accept any other offer at any time prior to notification of acceptance, as described in paragraph 3. If this is a Seller Counter Offer, Seller's acceptance of another offer prior to Buyer's acceptance and communication of notification of this Counter Offer, shall revoke this Counter Offer.
3. **EXPIRATION:** This Counter Offer shall be deemed revoked and the deposits, if any, shall be returned unless this Counter Offer is signed by the Buyer or Seller to whom it is sent and a Copy of the signed Counter Offer is personally received by the person making this Counter Offer or Richard Halderman Jr. who is authorized to receive it, by 5:00PM on the third Day After this Counter Offer is made or, (if checked) by ☐ _____ (date), at _____ AM/PM. This Counter Offer may be executed in counterparts.

4. ☐ (If checked:) **MULTIPLE COUNTER OFFER:** Seller is making a Counter Offer(s) to another prospective buyer(s) on terms that may or may not be the same as in this Counter Offer. Acceptance of this Counter Offer by Buyer shall not be binding unless and until it is subsequently re-Signed by Seller in paragraph 7 below and a Copy of the Counter Offer Signed in paragraph 7 is personally received by Buyer or by _____, who is authorized to receive it, by 5:00 PM on the third Day After this Counter Offer is made or, (if checked) by ☐ _____ (date), at _____ AM/PM. Prior to the completion of all of these events, Buyer and Seller shall have no duties or obligations for the purchase or sale of the Property.

5. **OFFER: BUYER OR SELLER MAKES THIS COUNTER OFFER ON THE TERMS ABOVE AND ACKNOWLEDGES RECEIPT OF A COPY.**

R.L. Goodrich, Chapter 7 Trustee

Date November 23, 2009

6. **ACCEPTANCE:** I/WE accept the above Counter Offer (if checked ☐ SUBJECT TO THE ATTACHED COUNTER OFFER) and acknowledge receipt of a Copy.

Date _____ Time _____ AM/PM

Date _____ Time _____ AM/PM

7. **MULTIPLE COUNTER OFFER SIGNATURE LINE:** By signing below, Seller accepts this Multiple Counter Offer. NOTE TO SELLER: Do NOT sign in this box until after Buyer signs in paragraph 6. (Paragraph 7 applies only if paragraph 4 is checked.)

Date _____ Time _____ AM/PM

Date _____ Time _____ AM/PM

8. _____ (Initials) **Confirmation of Acceptance:** A Copy of Signed Acceptance was personally received by the maker of the _____ Counter Offer, or that person's authorized agent as specified in paragraph 3 (or, if this is a Multiple Counter Offer, the Buyer or Buyer's authorized agent as specified in paragraph 4) on (date) _____ at _____ AM/PM. A binding Agreement is created when a Copy of Signed Acceptance is personally received by the the maker of the Counter Offer, or that person's authorized agent (or, if this is a Multiple Counter Offer, the Buyer or Buyer's authorized agent) whether or not confirmed in this document. Completion of this confirmation is not legally required in order to create a binding Agreement; it is solely intended to evidence the date that Confirmation of Acceptance has occurred.

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Reviewed by _____ Date _____



CO REVISED 10/04 (PAGE 1 OF 1) Print Date BDC Mar 06

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From: kara

951 2458566

11/19/2009 09:51

#265 P.002/012



CALIFORNIA
ASSOCIATION
OF REALTORS®

CALIFORNIA RESIDENTIAL PURCHASE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

For Use With Single Family Residential Property — Attached or Detached
(C.A.R. Form RPA-CA, Revised 10/02)

- Date 11-18-09 at LAKE ELSDORE California.
1. OFFER:
- A. THIS IS AN OFFER FROM Jose Luis Castaneda & Lourdes P. Arvizu H & W (Buyer).
- B. THE REAL PROPERTY TO BE ACQUIRED is described as: 21293 John St Perris, Ca Assessor's Parcel No. 322 120 023-5 situated in Perris County of Riverside California, ("Property").
- C. THE PURCHASE PRICE offered is Seventy Thousand Dollars \$ 70,000.
- D. CLOSE OF ESCROW shall occur on _____ (date) (or ☒ 30 Days After Acceptance).
2. FINANCE TERMS: Obtaining the loans below is a contingency of this Agreement unless: (i) either 2K or 2L is checked below; or (ii) otherwise agreed in writing. Buyer shall act diligently and in good faith to obtain the designated loans. Obtaining deposit, down payment and closing costs is not a contingency. Buyer represents that funds will be good when deposited with Escrow Holder.
- A. INITIAL DEPOSIT: Buyer has given a deposit in the amount of _____ \$ 20,000 to the agent submitting the offer (or to ☐ _____), by personal check (or ☒ Cashiers ck), made payable to Remale P. Arvizu H & W which shall be held uncashed until Acceptance and then deposited within 3 business days after Acceptance (or ☐ _____), with Escrow Holder, (or ☐ into Broker's trust account).
- B. INCREASED DEPOSIT: Buyer shall deposit with Escrow Holder an increased deposit in the amount of _____ \$ _____ within _____ Days After Acceptance, or ☐.
- C. FIRST LOAN IN THE AMOUNT OF _____ \$ _____
- (1) NEW First Deed of Trust in favor of lender, encumbering the Property, securing a note payable at maximum interest of _____ % fixed rate, or _____ % initial adjustable rate with a maximum interest rate of _____ %, balance due in _____ years, amortized over _____ years. Buyer shall pay loan fees/points not to exceed _____. (These terms apply whether the designated loan is conventional, FHA or VA.)
- (2) ☐ FHA ☐ VA: (The following terms only apply to the FHA or VA loan that is checked.) Seller shall pay _____ % discount points. Seller shall pay other fees not allowed to be paid by Buyer, ☐ not to exceed \$ _____. Seller shall pay the cost of lender required Repairs (including those for wood destroying pest) not otherwise provided for in this Agreement, ☐ not to exceed \$ _____. (Actual loan amount may increase if mortgage insurance premiums, funding fees or closing costs are financed.)
- D. ADDITIONAL FINANCING TERMS: ☐ Seller financing, (C.A.R. Form SFA); ☐ secondary financing, _____ \$ _____ (C.A.R. Form PAA, paragraph 4A); ☐ assumed financing (C.A.R. Form PAA, paragraph 4B)
- Cash
- E. BALANCE OF PURCHASE PRICE (not including costs of obtaining loans and other closing costs) in the amount of _____ \$ 48,000 to be deposited with Escrow Holder within sufficient time to close escrow.
- F. PURCHASE PRICE (TOTAL): _____ \$ 70,000
- G. LOAN APPLICATIONS: Within 7 (or ☐ _____) Days After Acceptance, Buyer shall provide Seller a letter from lender or mortgage loan broker stating that, based on a review of Buyer's written application and credit report, Buyer is prequalified or preapproved for the NEW loan specified in 2C above.
- H. VERIFICATION OF DOWN PAYMENT AND CLOSING COSTS: Buyer (or Buyer's lender or loan broker pursuant to 2G) shall, within 7 (or ☐ _____) Days After Acceptance, provide Seller written verification of Buyer's down payment and closing costs.
- I. LOAN CONTINGENCY REMOVAL: (i) Within 17 (or ☐ _____) Days After Acceptance, Buyer shall, as specified in paragraph 14, remove the loan contingency or cancel this Agreement; OR (ii) (if checked) ☐ the loan contingency shall remain in effect until the designated loans are funded.
- J. APPRAISAL CONTINGENCY AND REMOVAL: This Agreement is (OR, if checked, ☐ is NOT) contingent upon the Property appraising at no less than the specified purchase price. If there is a loan contingency, at the time the loan contingency is remove (or, if checked, ☐ within 17 (or _____) Days After Acceptance), Buyer shall, as specified in paragraph 14B(3), remove the appraisal contingency or cancel this Agreement. If there is no loan contingency, Buyer shall, as specified in paragraph 14B(3), remove the appraisal contingency within 17 (or _____) Days After Acceptance.
- K. ☐ NO LOAN CONTINGENCY (if checked): Obtaining any loan in paragraphs 2C, 2D or elsewhere in this Agreement is NOT a contingency of this Agreement. If Buyer does not obtain the loan and as a result Buyer does not purchase the Property, Seller may be entitled to Buyer's deposit or other legal remedies.
- L. ☒ ALL CASH OFFER (if checked): No loan is needed to purchase the Property. Buyer shall, within 7 (or ☐ _____) Days After Acceptance, provide Seller written verification of sufficient funds to close this transaction.
3. CLOSING AND OCCUPANCY:
- A. Buyer intends (or ☐ does not intend) to occupy the Property as Buyer's primary residence.
- B. Seller-occupied or vacant property: Occupancy shall be delivered to Buyer at _____ AM/PM, ☒ on the date of Close Of Escrow; ☐ on _____; or ☐ no later than _____ Days After Close Of Escrow. (C.A.R. Form PAA, paragraph 2.) If transfer of title and occupancy do not occur at the same time, Buyer and Seller are advised to: (i) enter into a written occupancy agreement; and (ii) consult with their insurance and legal advisors.

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RPA-CA REVISED 10/02 (PAGE 1 OF 8) Print Date BDC Jun 03

SUBJECT TO COUNTER OFFER

Buyer's Initials JLCA
Seller's Initials RLP

Reviewed by _____ Date _____



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NOV-19-2009 16:34

LIDO PACIFIC ASSET MANAGE

951 2458566

11/19/2009 09:52

#265 P.003/012

P.06

From: Kara

Property Address: 21293 Johns St.Date: 11-18-09

C. Tenant-occupied property: (i) Property shall be vacant at least 5 (or ☐ _____) Days Prior to Close Of Escrow, unless otherwise agreed in writing. Note to Seller: If you are unable to deliver Property vacant in accordance with rent control and other applicable Law, you may be in breach of this Agreement.

OR (ii) (if checked) ☐ Tenant to remain in possession. The attached addendum is incorporated into this Agreement (C.A.R. Form PAA, paragraph 3);

OR (iii) (if checked) ☐ This Agreement is contingent upon Buyer and Seller entering into a written agreement regarding occupancy of the Property within the time specified in paragraph 14B(1). If no written agreement is reached within this time, either Buyer or Seller may cancel this Agreement in writing.

D. At Close Of Escrow, Seller assigns to Buyer any assignable warranty rights for items included in the sale and shall provide any available Copies of such warranties. Brokers cannot and will not determine the assignability of any warranties.

E. At Close Of Escrow, unless otherwise agreed in writing, Seller shall provide keys and/or means to operate all locks, mailboxes, security systems, alarms and garage door openers. If Property is a condominium or located in a common interest subdivision, Buyer may be required to pay a deposit to the Homeowners' Association ("HOA") to obtain keys to accessible HOA facilities.

4. ALLOCATION OF COSTS (if checked): Unless otherwise specified here, this paragraph only determines who is to pay for the report, inspection, test or service mentioned. If not specified here or elsewhere in this Agreement, the determination of who is to pay for any work recommended or identified by any such report, inspection, test or service shall be by the method specified in paragraph 14B(2).

A. WOOD DESTROYING PEST INSPECTION:

(1) ☒ Buyer ☐ Seller shall pay for an inspection and report for wood destroying pests and organisms ("Report") which shall be prepared by _____, a registered structural pest control company. The Report shall cover the accessible areas of the main building and attached structures and, if checked: ☐ detached garages and carports, ☐ detached decks, ☐ the following other structures or areas _____.

_____ The Report shall not include roof coverings. If Property is a condominium or located in a common interest subdivision, the Report shall include only the separate interest and any exclusive-use areas being transferred and shall not include common areas, unless otherwise agreed. Water tests of shower pans on upper level units may not be performed without consent of the owners of property below the shower.

OR (2) ☐ (if checked) The attached addendum (C.A.R. Form WPA) regarding wood destroying pest inspection and allocation of cost is incorporated into this Agreement.

B. OTHER INSPECTIONS AND REPORTS:

- (1) ☒ Buyer ☐ Seller shall pay to have septic or private sewage disposal systems inspected _____
 (2) ☒ Buyer ☐ Seller shall pay to have domestic wells tested for water potability and productivity _____
 (3) ☒ Buyer ☐ Seller shall pay for a natural hazard zone disclosure report prepared by _____
 (4) ☒ Buyer ☐ Seller shall pay for the following inspection or report _____
 (5) ☒ Buyer ☐ Seller shall pay for the following inspection or report _____

C. GOVERNMENT REQUIREMENTS AND RETROFIT:

- (1) ☒ Buyer ☐ Seller shall pay for smoke detector installation and/or water heater bracing, if required by Law. Prior to Close Of Escrow, Seller shall provide Buyer a written statement of compliance in accordance with state and local Law, unless exempt.
 (2) ☒ Buyer ☐ Seller shall pay the cost of compliance with any other minimum mandatory government retrofit standards, inspections and reports if required as a condition of closing escrow under any Law. _____

D. ESCROW AND TITLE:

- (1) ☒ Buyer ☐ Seller shall pay escrow fee _____
 Escrow Holder shall be Escrow Choice
 (2) ☐ Buyer ☒ Seller shall pay for owner's title insurance policy specified in paragraph 12E _____
 Owner's title policy to be issued by Orange Coast
 (Buyer shall pay for any title insurance policy insuring Buyer's lender, unless otherwise agreed in writing.)

E. OTHER COSTS:

- (1) ☐ Buyer ☒ Seller shall pay County transfer tax or transfer fee _____
 (2) ☐ Buyer ☐ Seller shall pay City transfer tax or transfer fee _____
 (3) ☐ Buyer ☐ Seller shall pay HOA transfer fee _____
 (4) ☐ Buyer ☐ Seller shall pay HOA document preparation fees _____
 (5) ☐ Buyer ☐ Seller shall pay the cost, not to exceed \$ _____, of a one-year home warranty plan, issued by _____
 with the following optional coverage: _____
 (6) ☐ Buyer ☐ Seller shall pay for _____
 (7) ☐ Buyer ☐ Seller shall pay for _____

5. STATUTORY DISCLOSURES (INCLUDING LEAD-BASED PAINT HAZARD DISCLOSURES) AND CANCELLATION RIGHTS:

- A. (1) Seller shall, within the time specified in paragraph 14A, deliver to Buyer, if required by Law: (i) Federal Lead-Based Paint Disclosures and pamphlet ("Lead Disclosures"); and (ii) disclosures or notices required by sections 1102 et. seq. and 1103 et. seq. of the California Civil Code ("Statutory Disclosures"). Statutory Disclosures include, but are not limited to, a Real Estate Transfer Disclosure Statement ("TDS"), Natural Hazard Disclosure Statement ("NHD"), notice of actual knowledge of release of illegal controlled substance, notice of special tax and/or assessments (or, if allowed, substantially equivalent notice regarding the Mello-Roos Community Facilities Act and Improvement Bond Act of 1915) and, if Seller has actual knowledge, of industrial use and military ordnance location disclosure (C.A.R. Form SSD).
 (2) Buyer shall, within the time specified in paragraph 14B(1), return Signed Copies of the Statutory and Lead Disclosures to Seller.
 (3) In the event Seller, prior to Close Of Escrow, becomes aware of adverse conditions materially affecting the Property, or any material inaccuracy in disclosures, information or representations previously provided to Buyer of which Buyer is otherwise unaware, Seller shall promptly provide a subsequent or amended disclosure or notice, in writing, covering those items. However, a subsequent or amended disclosure shall not be required for conditions and material inaccuracies disclosed in reports ordered and paid for by Buyer.

SUBJECT TO COUNTER OFFER

Buyer's Initials (L.F.A.)
 Seller's Initials (M.L.)

Reviewed by _____ Date _____



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RPA-CA REVISED 1/06 (PAGE 2 OF 8)

MASTER COPY

From: kara

951 2458566

11/19/2009 09:53

#265 P.004/012

Property Address: 21293 Johns StDate: 11-18-09

- (4) If any disclosure or notice specified in 5A(1), or subsequent or amended disclosure or notice is delivered to Buyer after the offer is Signed, Buyer shall have the right to cancel this Agreement within 3 Days After delivery in person, or 5 Days After delivery by deposit in the mail, by giving written notice of cancellation to Seller or Seller's agent. (Lead Disclosures sent by mail must be sent certified mail or better.)
- (5) Note to Buyer and Seller: Waiver of Statutory and Lead Disclosures is prohibited by Law.
- B. **NATURAL AND ENVIRONMENTAL HAZARDS:** Within the time specified in paragraph 14A, Seller shall, if required by Law: (i) deliver to Buyer earthquake guides (and questionnaire) and environmental hazards booklet; (ii) even if exempt from the obligation to provide a NHD, disclose if the Property is located in a Special Flood Hazard Area; Potential Flooding (Inundation) Area; Very High Fire Hazard Zone; State Fire Responsibility Area; Earthquake Fault Zone; Seismic Hazard Zone; and (iii) disclose any other zone as required by Law and provide any other information required for those zones.
- C. **DATA BASE DISCLOSURE:** Notice: Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at www.meganslaw.ca.gov. Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides. (Neither Seller nor Brokers are required to check this website. If Buyer wants further information, Broker recommends that Buyer obtain information from this website during Buyer's inspection contingency period. Brokers do not have expertise in this area.)
6. **CONDOMINIUM/PLANNED UNIT DEVELOPMENT DISCLOSURES:**
- A. **SELLER HAS:** 7 (or ☐ _____) Days After Acceptance to disclose to Buyer whether the Property is a condominium, or is located in a planned unit development or other common interest subdivision (C.A.R. Form SSD).
- B. If the Property is a condominium or is located in a planned unit development or other common interest subdivision, Seller has 3 (or ☐ _____) Days After Acceptance to request from the HOA (C.A.R. Form HOA): (i) Copies of any documents required by Law; (ii) disclosure of any pending or anticipated claim or litigation by or against the HOA; (iii) a statement containing the location and number of designated parking and storage spaces; (iv) Copies of the most recent 12 months of HOA minutes for regular and special meetings; and (v) the names and contact information of all HOAs governing the Property (collectively, "CI Disclosures"). Seller shall itemize and deliver to Buyer all CI Disclosures received from the HOA and any CI Disclosures in Seller's possession. Buyer's approval of CI Disclosures is a contingency of this Agreement as specified in paragraph 14B(3).
7. **CONDITIONS AFFECTING PROPERTY:**
- A. Unless otherwise agreed: (i) the Property is sold (a) in its PRESENT physical condition as of the date of Acceptance and (b) subject to Buyer's investigation rights; (ii) the Property, including pool, spa, landscaping and grounds, is to be maintained in substantially the same condition as on the date of Acceptance; and (iii) all debris and personal property not included in the sale shall be removed by Close Of Escrow.
- B. **SELLER SHALL,** within the time specified in paragraph 14A, DISCLOSE KNOWN MATERIAL FACTS AND DEFECTS affecting the Property, including known insurance claims within the past five years, AND MAKE OTHER DISCLOSURES REQUIRED BY LAW (C.A.R. Form SSD).
- C. **NOTE TO BUYER:** You are strongly advised to conduct investigations of the entire Property in order to determine its present condition since Seller may not be aware of all defects affecting the Property or other factors that you consider important. Property improvements may not be built according to code, in compliance with current Law, or have had permits issued.
- D. **NOTE TO SELLER:** Buyer has the right to inspect the Property and, as specified in paragraph 14B, based upon information discovered in those inspections: (i) cancel this Agreement; or (ii) request that you make Repairs or take other action.
8. **ITEMS INCLUDED AND EXCLUDED:**
- A. **NOTE TO BUYER AND SELLER:** Items listed as included or excluded in the MLS, flyers or marketing materials are not included in the purchase price or excluded from the sale unless specified in 8B or C.
- B. **ITEMS INCLUDED IN SALE:**
- (1) All EXISTING fixtures and fittings that are attached to the Property;
- (2) Existing electrical, mechanical, lighting, plumbing and heating fixtures, ceiling fans, fireplace inserts, gas logs and grates, solar systems, built-in appliances, window and door screens, awnings, shutters, window coverings, attached floor coverings, television antennas, satellite dishes, private integrated telephone systems, air coolers/conditioners, pool/spa equipment, garage door openers/remote controls, mailbox, in-ground landscaping, trees/shrubs, water softeners, water purifiers, security systems/alarms; and
- (3) The following items: _____
- (4) Seller represents that all items included in the purchase price, unless otherwise specified, are owned by Seller.
- (5) All items included shall be transferred free of liens and without Seller warranty.
- C. **ITEMS EXCLUDED FROM SALE:** _____
9. **BUYER'S INVESTIGATION OF PROPERTY AND MATTERS AFFECTING PROPERTY:**
- A. Buyer's acceptance of the condition of, and any other matter affecting the Property, is a contingency of this Agreement as specified in this paragraph and paragraph 14B. Within the time specified in paragraph 14B(1), Buyer shall have the right, at Buyer's expense unless otherwise agreed, to conduct inspections, investigations, tests, surveys and other studies ("Buyer Investigations"), including, but not limited to, the right to: (i) inspect for lead-based paint and other lead-based paint hazards; (ii) inspect for wood destroying pests and organisms; (iii) review the registered sex offender database; (iv) confirm the insurability of Buyer and the Property; and (v) satisfy Buyer as to any matter specified in the attached Buyer's Inspection Advisory (C.A.R. Form BIA). Without Seller's prior written consent, Buyer shall neither make nor cause to be made: (i) invasive or destructive Buyer Investigations; or (ii) inspections by any governmental building or zoning inspector or government employee, unless required by Law.
- B. Buyer shall complete Buyer Investigations and, as specified in paragraph 14B, remove the contingency or cancel this Agreement. Buyer shall give Seller, at no cost, complete Copies of all Buyer Investigation reports obtained by Buyer. Seller shall make the Property available for all Buyer Investigations. Seller shall have water, gas, electricity and all operable pilot lights on for Buyer's Investigations and through the date possession is made available to Buyer.

NOV-19-2009 16:35

Main Document Page 24 of 33
LIDO PACIFIC ASSET MANAGE

P.08

From: kara

951 2458566

11/19/2009 09:53

#265 P.005/012

Property Address: 21293 Johns St.Date: 11-18-09

10. **REPAIRS:** Repairs shall be completed prior to final verification of condition unless otherwise agreed in writing. Repairs to be performed at Seller's expense may be performed by Seller or through others, provided that the work complies with applicable Law, including governmental permit, inspection and approval requirements. Repairs shall be performed in a good, skillful manner with materials of quality and appearance comparable to existing materials. It is understood that exact restoration of appearance or cosmetic items following all Repairs may not be possible. Seller shall: (i) obtain receipts for Repairs performed by others; (ii) prepare a written statement indicating the Repairs performed by Seller and the date of such Repairs; and (iii) provide Copies of receipts and statements to Buyer prior to final verification of condition.
11. **BUYER INDEMNITY AND SELLER PROTECTION FOR ENTRY UPON PROPERTY:** Buyer shall: (i) keep the Property free and clear of liens; (ii) Repair all damage arising from Buyer investigations; and (iii) indemnify and hold Seller harmless from all resulting liability, claims, demands, damages and costs. Buyer shall carry, or Buyer shall require anyone acting on Buyer's behalf to carry, policies of liability, workers' compensation and other applicable insurance, defending and protecting Seller from liability for any injuries to persons or property occurring during any Buyer investigations or work done on the Property at Buyer's direction prior to Close Of Escrow. Seller is advised that certain protections may be afforded Seller by recording a "Notice of Non-responsibility" (C.A.R. Form NNR) for Buyer investigations and work done on the Property at Buyer's direction. Buyer's obligations under this paragraph shall survive the termination of this Agreement.
12. **TITLE AND VESTING:**
- A. Within the time specified in paragraph 14, Buyer shall be provided a current preliminary (title) report, which is only an offer by the title insurer to issue a policy of title insurance and may not contain every item affecting title. Buyer's review of the preliminary report and any other matters which may affect title are a contingency of this Agreement as specified in paragraph 14B.
- B. Title is taken in its present condition subject to all encumbrances, easements, covenants, conditions, restrictions, rights and other matters, whether of record or not, as of the date of Acceptance except: (i) monetary liens of record unless Buyer is assuming those obligations or taking the Property subject to those obligations; and (ii) those matters which Seller has agreed to remove in writing.
- C. Within the time specified in paragraph 14A, Seller has a duty to disclose to Buyer all matters known to Seller affecting title, whether of record or not.
- D. At Close Of Escrow, Buyer shall receive a grant deed conveying title (or, for stock cooperative or long-term lease, an assignment of stock certificate or of Seller's leasehold interest), including oil, mineral and water rights if currently owned by Seller. Title shall vest as designated in Buyer's supplemental escrow instructions. THE MANNER OF TAKING TITLE MAY HAVE SIGNIFICANT LEGAL AND TAX CONSEQUENCES. CONSULT AN APPROPRIATE PROFESSIONAL.
- E. Buyer shall receive a CLTA/ALTA Homeowner's Policy of Title Insurance. A title company, at Buyer's request, can provide information about the availability, desirability, coverage, and cost of various title insurance coverages and endorsements. If Buyer desires title coverage other than that required by this paragraph, Buyer shall instruct Escrow Holder in writing and pay any increase in cost.
13. **SALE OF BUYER'S PROPERTY:**
- A. This Agreement is NOT contingent upon the sale of any property owned by Buyer.
- OR B. ☐ (If checked): The attached addendum (C.A.R. Form COP) regarding the contingency for the sale of property owned by Buyer is incorporated into this Agreement.
14. **TIME PERIODS; REMOVAL OF CONTINGENCIES; CANCELLATION RIGHTS:** The following time periods may only be extended, altered, modified or changed by mutual written agreement. Any removal of contingencies or cancellation under this paragraph must be in writing (C.A.R. Form CR).
- A. **SELLER HAS:** 7 (or ☐ _____) Days After Acceptance to deliver to Buyer all reports, disclosures and information for which Seller is responsible under paragraphs 4, 5A and B, 6A, 7B and 12.
- B. (1) **BUYER HAS:** 17 (or ☐ _____) Days After Acceptance, unless otherwise agreed in writing, to:
- (i) complete all Buyer investigations; approve all disclosures, reports and other applicable information, which Buyer receives from Seller; and approve all matters affecting the Property (including lead-based paint and lead-based paint hazards as well as other information specified in paragraph 5 and insurability of Buyer and the Property); and
- (ii) return to Seller Signed Copies of Statutory and Lead Disclosures delivered by Seller in accordance with paragraph 5A.
- (2) Within the time specified in 14B(1), Buyer may request that Seller make repairs or take any other action regarding the Property (C.A.R. Form RR). Seller has no obligation to agree to or respond to Buyer's requests.
- (3) By the end of the time specified in 14B(1) (or 21 for loan contingency or 21 for appraisal contingency), Buyer shall, in writing, remove the applicable contingency (C.A.R. Form CR) or cancel this Agreement. However, if (i) government-mandated inspections/ reports required as a condition of closing; or (ii) Common Interest Disclosures pursuant to paragraph 5B are not made within the time specified in 14A, then Buyer has 5 (or ☐ _____) Days After receipt of any such items, or the time specified in 14B(1), whichever is later, to remove the applicable contingency or cancel this Agreement in writing.
- C. **CONTINUATION OF CONTINGENCY OR CONTRACTUAL OBLIGATION: SELLER RIGHT TO CANCEL:**
- (1) **Seller right to Cancel; Buyer Contingencies:** Seller, after first giving Buyer a Notice to Buyer to Perform (as specified below), may cancel this Agreement in writing and authorize return of Buyer's deposit if, by the time specified in this Agreement, Buyer does not remove in writing the applicable contingency or cancel this Agreement. Once all contingencies have been removed, failure of either Buyer or Seller to close escrow on time may be a breach of this Agreement.
- (2) **Continuation of Contingency:** Even after the expiration of the time specified in 14B, Buyer retains the right to make requests to Seller, remove in writing the applicable contingency or cancel this Agreement until Seller cancels pursuant to 14C(1). Once Seller receives Buyer's written removal of all contingencies, Seller may not cancel this Agreement pursuant to 14C(1).
- (3) **Seller right to Cancel; Buyer Contract Obligations:** Seller, after first giving Buyer a Notice to Buyer to Perform (as specified below), may cancel this Agreement in writing and authorize return of Buyer's deposit for any of the following reasons: (i) if Buyer fails to deposit funds as required by 2A or 2B; (ii) if the funds deposited pursuant to 2A or 2B are not good when deposited; (iii) if Buyer fails to provide a letter as required by 2G; (iv) if Buyer fails to provide verification as required by 2H or 2L; (v) if Seller reasonably disapproves of the verification provided by 2H or 2L; (vi) if Buyer fails to return Statutory and Lead Disclosures as required by paragraph 5A(2); or (vii) if Buyer fails to sign or initial a separate liquidated damage form for an increased deposit as required by paragraph 16. Seller is not required to give Buyer a Notice to Perform regarding Close of Escrow.
- (4) **Notice To Buyer To Perform:** The Notice to Buyer to Perform (C.A.R. Form NBP) shall: (i) be in writing; (ii) be signed by Seller; and (iii) give Buyer at least 24 (or ☐ _____) hours (or until the time specified in the applicable paragraph, whichever occurs last) to take the applicable action. A Notice to Buyer to Perform may not be given any earlier than 2 Days Prior to the expiration of the applicable time for Buyer to remove a contingency or cancel this Agreement or meet a 14C(3) obligation.

From: Kara

951 2458566

11/19/2009 09:54

#265 P.006/012

Property Address: 21293 Johns StDate: 11-18-09

- D. **EFFECT OF BUYER'S REMOVAL OF CONTINGENCIES**: If Buyer removes, in writing, any contingency or cancellation rights, unless otherwise specified in a separate written agreement between Buyer and Seller, Buyer shall conclusively be deemed to have: (i) completed all Buyer investigations, and review of reports and other applicable information and disclosures pertaining to that contingency or cancellation right; (ii) elected to proceed with the transaction; and (iii) assumed all liability, responsibility and expense for repairs or corrections pertaining to that contingency or cancellation right, or for inability to obtain financing.
- E. **EFFECT OF CANCELLATION ON DEPOSITS**: If Buyer or Seller gives written notice of cancellation pursuant to rights duly exercised under the terms of this Agreement, Buyer and Seller agree to Sign mutual instructions to cancel the sale and escrow and release deposits to the party entitled to the funds, less fees and costs incurred by that party. Fees and costs may be payable to service providers and vendors for services and products provided during escrow. Release of funds will require mutual Signed release instructions from Buyer and Seller, judicial decision or arbitration award. A party may be subject to a civil penalty of up to \$1,000 for refusal to sign such instructions if no good faith dispute exists as to who is entitled to the deposited funds (Civil Code §1057.3).

15. **FINAL VERIFICATION OF CONDITION**: Buyer shall have the right to make a final inspection of the Property within 5 (or _____) Days Prior to Close Of Escrow, NOT AS A CONTINGENCY OF THE SALE, but solely to confirm: (i) the Property is maintained pursuant to paragraph 7A; (ii) Repairs have been completed as agreed; and (iii) Seller has complied with Seller's other obligations under this Agreement.

16. **LIQUIDATED DAMAGES**: If Buyer fails to complete this purchase because of Buyer's default, Seller shall retain, as liquidated damages, the deposit actually paid. If the Property is a dwelling with no more than four units, one of which Buyer intends to occupy, then the amount retained shall be no more than 3% of the purchase price. Any excess shall be returned to Buyer. Release of funds will require mutual, Signed release instructions from both Buyer and Seller, judicial decision or arbitration award.

BUYER AND SELLER SHALL SIGN A SEPARATE LIQUIDATED DAMAGES PROVISION FOR ANY INCREASED DEPOSIT. (C.A.R. FORM RID)

Buyer's Initials LEA JLC Seller's Initials _____

17. **DISPUTE RESOLUTION**:

- A. **MEDIATION**: Buyer and Seller agree to mediate any dispute or claim arising between them out of this Agreement, or any resulting transaction, before resorting to arbitration or court action. Paragraphs 17B(2) and (3) below apply to mediation whether or not the Arbitration provision is initiated. Mediation fees, if any, shall be divided equally among the parties involved. If, for any dispute or claim to which this paragraph applies, any party commences an action without first attempting to resolve the matter through mediation, or refuses to mediate after a request has been made, then that party shall not be entitled to recover attorney fees, even if they would otherwise be available to that party in any such action. THIS MEDIATION PROVISION APPLIES WHETHER OR NOT THE ARBITRATION PROVISION IS INITIALED.

- B. **ARBITRATION OF DISPUTES**: (1) Buyer and Seller agree that any dispute or claim in Law or equity arising between them out of this Agreement or any resulting transaction, which is not settled through mediation, shall be decided by neutral, binding arbitration, including and subject to paragraphs 17B(2) and (3) below. The arbitrator shall be a retired judge or justice, or an attorney with at least 5 years of residential real estate Law experience, unless the parties mutually agree to a different arbitrator, who shall render an award in accordance with substantive California Law. The parties shall have the right to discovery in accordance with California Code of Civil Procedure §1283.05. In all other respects, the arbitration shall be conducted in accordance with Title 9 of Part III of the California Code of Civil Procedure. Judgment upon the award of the arbitrator(s) may be entered into any court having jurisdiction. Interpretation of this agreement to arbitrate shall be governed by the Federal Arbitration Act.

(2) **EXCLUSIONS FROM MEDIATION AND ARBITRATION**: The following matters are excluded from mediation and arbitration: (i) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage or installment land sale contract as defined in California Civil Code §2985; (ii) an unlawful detainer action; (iii) the filing or enforcement of a mechanic's lien; and (iv) any matter that is within the jurisdiction of a probate, small claims or bankruptcy court. The filing of a court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a waiver of the mediation and arbitration provisions.

(3) **BROKERS**: Buyer and Seller agree to mediate and arbitrate disputes or claims involving either or both Brokers, consistent with 17A and B, provided either or both Brokers shall have agreed to such mediation or arbitration prior to, or within a reasonable time after, the dispute or claim is presented to Brokers. Any election by either or both Brokers to participate in mediation or arbitration shall not result in Brokers being deemed parties to the Agreement.

"NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY."

"WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION TO NEUTRAL ARBITRATION."

Buyer's Initials LEA JLC Seller's Initials _____

Buyer's Initials LEA JLC
Seller's Initials ATW

Reviewed by _____ Date _____



NOV-19-2009 16:36

LIDO PACIFIC ASSET MANAGE

P.10

From: Kara

951 2458566

11/19/2009 09:55

#255 P.007/012

Property Address: 21293 Johns StDate: 11-18-09

- 18. PRORATIONS OF PROPERTY TAXES AND OTHER ITEMS:** Unless otherwise agreed in writing, the following items shall be PAID CURRENT and prorated between Buyer and Seller as of Close Of Escrow: real property taxes and assessments, interest, rents, HOA regular, special, and emergency dues and assessments imposed prior to Close Of Escrow, premiums on insurance assumed by Buyer, payments on bonds and assessments assumed by Buyer, and payments on Mello-Roos and other Special Assessment District bonds and assessments that are now a lien. The following items shall be assumed by Buyer WITHOUT CREDIT toward the purchase price: prorated payments on Mello-Roos and other Special Assessment District bonds and assessments and HOA special assessments that are now a lien but not yet due. Property will be reassessed upon change of ownership. Any supplemental tax bills shall be paid as follows: (I) for periods after Close Of Escrow, by Buyer; and (II) for periods prior to Close Of Escrow, by Seller. TAX BILLS ISSUED AFTER CLOSE OF ESCROW SHALL BE HANDLED DIRECTLY BETWEEN BUYER AND SELLER. Prorations shall be made based on a 30-day month.
- 19. WITHHOLDING TAXES:** Seller and Buyer agree to execute any instrument, affidavit, statement or instruction reasonably necessary to comply with federal (FIRPTA) and California withholding Law, if required (C.A.R. Forms AS and AB).
- 20. MULTIPLE LISTING SERVICE ("MLS"):** Brokers are authorized to report to the MLS a pending sale and, upon Close Of Escrow, the terms of this transaction to be published and disseminated to persons and entities authorized to use the information on terms approved by the MLS.
- 21. EQUAL HOUSING OPPORTUNITY:** The Property is sold in compliance with federal, state and local anti-discrimination Laws.
- 22. ATTORNEY FEES:** In any action, proceeding, or arbitration between Buyer and Seller arising out of this Agreement, the prevailing Buyer or Seller shall be entitled to reasonable attorney fees and costs from the non-prevailing Buyer or Seller, except as provided in paragraph 17A.
- 23. SELECTION OF SERVICE PROVIDERS:** If Brokers refer Buyer or Seller to persons, vendors, or service or product providers ("Providers"), Brokers do not guarantee the performance of any Providers. Buyer and Seller may select ANY Providers of their own choosing.
- 24. TIME OF ESSENCE; ENTIRE CONTRACT; CHANGES:** Time is of the essence. All understandings between the parties are incorporated in this Agreement. Its terms are intended by the parties as a final, complete and exclusive expression of their Agreement with respect to its subject matter, and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. If any provision of this Agreement is held to be ineffective or invalid, the remaining provisions will nevertheless be given full force and effect. Neither this Agreement nor any provision in it may be extended, amended, modified, altered or changed, except in writing Signed by Buyer and Seller.
- 25. OTHER TERMS AND CONDITIONS, including attached supplements:**
- A. ☒ Buyer's Inspection Advisory (C.A.R. Form BIA)
- B. ☐ Purchase Agreement Addendum (C.A.R. Form PAA paragraph numbers: _____)
- C. ☐ Statewide Buyer and Seller Advisory (C.A.R. Form SBASA)
- D. _____
- 26. DEFINITIONS:** As used in this Agreement:
- A. "Acceptance" means the time the offer or final counter offer is accepted in writing by a party and is delivered to and personally received by the other party or that party's authorized agent in accordance with the terms of this offer or a final counter offer.
- B. "Agreement" means the terms and conditions of this accepted California Residential Purchase Agreement and any accepted counter offers and addenda.
- C. "C.A.R. Form" means the specific form referenced or another comparable form agreed to by the parties.
- D. "Close Of Escrow" means the date the grant deed, or other evidence of transfer of title, is recorded. If the scheduled close of escrow falls on a Saturday, Sunday or legal holiday, then close of escrow shall be the next business day after the scheduled close of escrow date.
- E. "Copy" means copy by any means including photocopy, NCR, facsimile and electronic.
- F. "Days" means calendar days, unless otherwise required by Law.
- G. "Days After" means the specified number of calendar days after the occurrences of the event specified, not counting the calendar date on which the specified event occurs, and ending at 11:59PM on the final day.
- H. "Days Prior" means the specified number of calendar days before the occurrence of the event specified, not counting the calendar date on which the specified event is scheduled to occur.
- I. "Electronic Copy" or "Electronic Signature" means, as applicable, an electronic copy or signature complying with California Law. Buyer and Seller agree that electronic means will not be used by either party to modify or alter the content or integrity of this Agreement without the knowledge and consent of the other.
- J. "Law" means any law, code, statute, ordinance, regulation, rule or order, which is adopted by a controlling city, county, state or federal legislative, judicial or executive body or agency.
- K. "Notice to Buyer to Perform" means a document (C.A.R. Form NBP), which shall be in writing and Signed by Seller and shall give Buyer at least 24 hours (or as otherwise specified in paragraph 14C(4)) to remove a contingency or perform as applicable.
- L. "Repairs" means any repairs (including pest control), alterations, replacements, modifications or retrofitting of the Property provided for under this Agreement.
- M. "Signed" means either a handwritten or electronic signature on an original document, Copy or any counterpart.
- N. Singular and Plural terms each include the other, when appropriate.



NOV-19-2009 16:36

LIDO PACIFIC ASSET MANAGE

P.11

From: kara

951 2458566

11/19/2009 09:56

#265 P.008/012

Property Address: 21293 Johns StDate: 11-18-09**27. AGENCY:**

- A. DISCLOSURE:** Buyer and Seller each acknowledge prior receipt of C.A.R. Form AD "Disclosure Regarding Real Estate Agency Relationships."
- B. POTENTIALLY COMPETING BUYERS AND SELLERS:** Buyer and Seller each acknowledge receipt of a disclosure of the possibility of multiple representation by the Broker representing that principal. This disclosure may be part of a listing agreement, buyer-broker agreement or separate document (C.A.R. Form DA). Buyer understands that Broker representing Buyer may also represent other potential buyers, who may consider, make offers on or ultimately acquire the Property. Seller understands that Broker representing Seller may also represent other sellers with competing properties of interest to this Buyer.
- C. CONFIRMATION:** The following agency relationships are hereby confirmed for this transaction:
 Listing Agent: Lido Pacific (Print Firm Name) is the agent of (check one): ☒ the Seller exclusively; or ☐ both the Buyer and Seller.
 Selling Agent: Sundance Properties (Print Firm Name) (if not same as Listing Agent) is the agent of (check one): ☒ the Buyer exclusively; or ☐ the Seller exclusively; or ☐ both the Buyer and Seller. Real Estate Brokers are not parties to the Agreement between Buyer and Seller.

28. JOINT ESCROW INSTRUCTIONS TO ESCROW HOLDER:

- A.** The following paragraphs, or applicable portions thereof, of this Agreement constitute the joint escrow instructions of Buyer and Seller to Escrow Holder, which Escrow Holder is to use along with any related counter offers and addenda, and any additional mutual instructions to close the escrow: 1, 2, 4, 12, 13B, 14E, 18, 19, 24, 25B and 25D, 26, 28, 29, 32A, 33 and paragraph D of the section titled Real Estate Brokers on page 8. If a Copy of the separate compensation agreement(s) provided for in paragraph 29 or 32A, or paragraph D of the section titled Real Estate Brokers on page 8 is deposited with Escrow Holder by Broker, Escrow Holder shall accept such agreement(s) and pay out from Buyer's or Seller's funds, or both, as applicable, the Broker's compensation provided for in such agreement(s). The terms and conditions of this Agreement not set forth in the specified paragraphs are additional matters for the information of Escrow Holder, but about which Escrow Holder need not be concerned. Buyer and Seller will receive Escrow Holder's general provisions directly from Escrow Holder and will execute such provisions upon Escrow Holder's request. To the extent the general provisions are inconsistent or conflict with this Agreement, the general provisions will control as to the duties and obligations of Escrow Holder only. Buyer and Seller will execute additional instructions, documents and forms provided by Escrow Holder that are reasonably necessary to close the escrow.
- B.** A Copy of this Agreement shall be delivered to Escrow Holder within 3 business days after Acceptance (or ☐). Buyer and Seller authorize Escrow Holder to accept and rely on Copies and Signatures as defined in this Agreement as originals, to open escrow and for other purposes of escrow. The validity of this Agreement as between Buyer and Seller is not affected by whether or when Escrow Holder Signs this Agreement.
- C.** Brokers are a party to the escrow for the sole purpose of compensation pursuant to paragraphs 29, 32A and paragraph D of the section titled Real Estate Brokers on page 8. Buyer and Seller irrevocably assign to Brokers compensation specified in paragraphs 29 and 32A, respectively, and irrevocably instruct Escrow Holder to disburse those funds to Brokers at Close Of Escrow or pursuant to any other mutually executed cancellation agreement. Compensation instructions can be amended or revoked only with the written consent of Brokers. Escrow Holder shall immediately notify Brokers: (I) if Buyer's initial or any additional deposit is not made pursuant to this Agreement, or is not good at time of deposit with Escrow Holder; or (II) if Buyer and Seller instruct Escrow Holder to cancel escrow.
- D.** A Copy of any amendment that affects any paragraph of this Agreement for which Escrow Holder is responsible shall be delivered to Escrow Holder within 2 business days after mutual execution of the amendment.

29. BROKER COMPENSATION FROM BUYER: If applicable, upon Close Of Escrow, Buyer agrees to pay compensation to Broker as specified in a separate written agreement between Buyer and Broker.

30. TERMS AND CONDITIONS OF OFFER:

This is an offer to purchase the Property on the above terms and conditions. All paragraphs with spaces for initials by Buyer and Seller are incorporated in this Agreement only if initialed by all parties. If at least one but not all parties initial, a counter offer is required until agreement is reached. Seller has the right to continue to offer the Property for sale and to accept any other offer at any time prior to notification of Acceptance. Buyer has read and acknowledges receipt of a Copy of the offer and agrees to the above confirmation of agency relationships. If this offer is accepted and Buyer subsequently defaults, Buyer may be responsible for payment of Brokers' compensation. This Agreement and any supplement, addendum or modification, including any Copy, may be Signed in two or more counterparts, all of which shall constitute one and the same writing.

SUBJECT TO COUNTER OFFER

Buyer's Initials (L.E.A.) J.L.G.
 Seller's Initials (S.L.) J.L.G.
 Reviewed by _____ Date _____



MASTER COPY

NUV-19-2009 16:37

LIDO PACIFIC ASSET MANAGE

P.12

From: kara

951 2458566

11/19/2009 09:56

#265 P.009/012

Property Address: 21293 Johns StDate: 11-18-09

31. EXPIRATION OF OFFER: This offer shall be deemed revoked and the deposit shall be returned unless the offer is Signed by Seller and a Copy of the Signed offer is personally received by Buyer, or by _____ who is authorized to receive it by 5:00 PM on the third Day after this offer is signed by Buyer (or, if checked, ☐ by _____ (date), at _____ AM/PM).

Date

BUYER

(Print name)

(Address)

Date

BUYER

(Print name)

32. BROKER COMPENSATION FROM SELLER:

A. Upon Close Of Escrow, Seller agrees to pay compensation to Broker as specified in a separate written agreement between Seller and Broker.

B. If escrow does not close, compensation is payable as specified in that separate written agreement.

33. ACCEPTANCE OF OFFER: Seller warrants that Seller is the owner of the Property, or has the authority to execute this Agreement. Seller accepts the above offer, agrees to sell the Property on the above terms and conditions, and agrees to the above confirmation of agency relationships. Seller has read and acknowledges receipt of a Copy of this Agreement, and authorizes Broker to deliver a Signed Copy to Buyer.

xxx (if checked) SUBJECT TO ATTACHED COUNTER OFFER, DATED November 19, 2009

Date

SELLER

(Print name)

(Address)

Date

SELLER

(Print name)

SUBJECT TO COUNTER OFFER

CONFIRMATION OF ACCEPTANCE: A Copy of Signed Acceptance was personally received by Buyer or Buyer's authorized agent on (date) _____ at _____ AM/PM. A binding Agreement is created when a Copy of Signed Acceptance is personally received by Buyer or Buyer's authorized agent whether or not confirmed in this document. Completion of this confirmation is not legally required in order to create a binding Agreement; it is solely intended to evidence the date that Confirmation of Acceptance has occurred.

REAL ESTATE BROKERS:

A. Real Estate Brokers are not parties to the Agreement between Buyer and Seller.

B. Agency relationships are confirmed as stated in paragraph 27.

C. If specified in paragraph 2A, Agent who submitted the offer for Buyer acknowledges receipt of deposit.

D. COOPERATING BROKER COMPENSATION: Listing Broker agrees to pay Cooperating Broker (Selling Firm) and Cooperating Broker agrees to accept, out of Listing Broker's proceeds in escrow: (i) the amount specified in the MLS, provided Cooperating Broker is a Participant of the MLS in which the Property is offered for sale or a reciprocal MLS; or (ii) ☐ (if checked) the amount specified in a separate written agreement (C.A.R. Form CBC) between Listing Broker and Cooperating Broker.

Real Estate Broker (Selling Firm)

By Holmes & NarverAddress 550 Fairview Canyon Rd #10Telephone 951 245 4400

DRE Lic. #

City LAKE ELSINOREFax 245 8566

DRE Lic. #

Date

State CAZip 92532E-mail holmesnarver@aol.com

Real Estate Broker (Listing Firm)

By _____

Address _____

Telephone _____

License #

Date

City _____

License #

Date

State _____

Zip _____

ESCROW HOLDER ACKNOWLEDGMENT:

Escrow Holder acknowledges receipt of a Copy of this Agreement, (if checked, ☐ a deposit in the amount of \$ _____), counter offer numbers _____ and _____

and agrees to act as Escrow Holder subject to paragraph 28 of this Agreement, any supplemental escrow instructions and the terms of Escrow Holder's general provisions.

Escrow Holder is advised that the date of Confirmation of Acceptance of the Agreement as between Buyer and Seller is _____

Escrow Holder

By

Address

Phone/Fax/E-mail

Escrow #

Date

Escrow Holder is licensed by the California Department of ☐ Corporations, ☐ Insurance, ☐ Real Estate. License # _____

REJECTION OF OFFER: No counter offer is being made. This offer was reviewed and rejected by Seller on _____ (Date)

THIS FORM HAS BEEN APPROVED BY THE CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.). NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ADEQUACY OF ANY PROVISION IN ANY SPECIFIC TRANSACTION. A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE TRANSACTIONS. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL. This form is available for use by the entire real estate industry. It is not intended to identify the user as a REALTOR®. REALTOR® is a registered collective membership mark which may be used only by members of the NATIONAL ASSOCIATION OF REALTORS® who subscribe to its Code of Ethics.



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525 South Virgil Avenue, Los Angeles, California 90020

Reviewed by _____ Date _____



RPA-CA REVISED 1/06 (PAGE 8 OF 8)

NOV-19-2009 16:37

LIDO PACIFIC ASSET MANAGE

P.13

From: kara

951 2458566

11/19/2009 09:57

#265 P.010/012



CALIFORNIA
ASSOCIATION
OF REALTORS®

BUYER'S INSPECTION ADVISORY

(C.A.R. Form BIA, Revised 10/02)

Property Address: 21293 Johns St, Perris ("Property").

A. IMPORTANCE OF PROPERTY INVESTIGATION: The physical condition of the land and improvements being purchased is not guaranteed by either Seller or Brokers. For this reason, you should conduct thorough investigations of the Property personally and with professionals who should provide written reports of their investigations. A general physical inspection typically does not cover all aspects of the Property nor items affecting the Property that are not physically located on the Property. If the professionals recommend further investigations, including a recommendation by a pest control operator to inspect inaccessible areas of the Property, you should contact qualified experts to conduct such additional investigations.

B. BUYER RIGHTS AND DUTIES: You have an affirmative duty to exercise reasonable care to protect yourself, including discovery of the legal, practical and technical implications of disclosed facts, and the investigation and verification of information and facts that you know or that are within your diligent attention and observation. The purchase agreement gives you the right to investigate the Property. If you exercise this right, and you should, you must do so in accordance with the terms of that agreement. This is the best way for you to protect yourself. It is extremely important for you to read all written reports provided by professionals and to discuss the results of inspections with the professional who conducted the inspection. You have the right to request that Seller make repairs, corrections or take other action based upon items discovered in your investigations or disclosed by Seller. If Seller is unwilling or unable to satisfy your requests, or you do not want to purchase the Property in its disclosed and discovered condition, you have the right to cancel the agreement if you act within specific time periods. If you do not cancel the agreement in a timely and proper manner, you may be in breach of contract.

C. SELLER RIGHTS AND DUTIES: Seller is required to disclose to you material facts known to him/her that affect the value or desirability of the Property. However, Seller may not be aware of some Property defects or conditions. Seller does not have an obligation to inspect the Property for your benefit nor is Seller obligated to repair, correct or otherwise cure known defects that are disclosed to you or previously unknown defects that are discovered by you or your inspectors during escrow. The purchase agreement obligates Seller to make the Property available to you for investigations.

D. BROKER OBLIGATIONS: Brokers do not have expertise in all areas and therefore cannot advise you on many items, such as soil stability, geologic or environmental conditions, hazardous or illegal controlled substances, structural conditions of the foundation or other improvements, or the condition of the roof, plumbing, heating, air conditioning, electrical, sewer, septic, waste disposal, or other system. The only way to accurately determine the condition of the Property is through an inspection by an appropriate professional selected by you. If Broker gives you referrals to such professionals, Broker does not guarantee their performance. You may select any professional of your choosing. In sales involving residential dwellings with no more than four units, Brokers have a duty to make a diligent visual inspection of the accessible areas of the Property and to disclose the results of that inspection. However, as some Property defects or conditions may not be discoverable from a visual inspection, it is possible Brokers are not aware of them. If you have entered into a written agreement with a Broker, the specific terms of that agreement will determine the nature and extent of that Broker's duty to you. **YOU ARE STRONGLY ADVISED TO INVESTIGATE THE CONDITION AND SUITABILITY OF ALL ASPECTS OF THE PROPERTY. IF YOU DO NOT DO SO, YOU ARE ACTING AGAINST THE ADVICE OF BROKERS.**

E. YOU ARE ADVISED TO CONDUCT INVESTIGATIONS OF THE ENTIRE PROPERTY, INCLUDING, BUT NOT LIMITED TO THE FOLLOWING:

- 1. GENERAL CONDITION OF THE PROPERTY, ITS SYSTEMS AND COMPONENTS:** Foundation, roof, plumbing, heating, air conditioning, electrical, mechanical, security, pool/spa, other structural and non-structural systems and components, fixtures, built-in appliances, any personal property included in the sale, and energy efficiency of the Property. (Structural engineers are best suited to determine possible design or construction defects, and whether improvements are structurally sound.)
- 2. SQUARE FOOTAGE, AGE, BOUNDARIES:** Square footage, room dimensions, lot size, age of improvements and boundaries. Any numerical statements regarding these items are APPROXIMATIONS ONLY and have not been verified by Seller and cannot be verified by Brokers. Fences, hedges, walls, retaining walls and other natural or constructed barriers or markers do not necessarily identify true Property boundaries. (Professionals such as appraisers, architects, surveyors and civil engineers are best suited to determine square footage, dimensions and boundaries of the Property.)
- 3. WOOD DESTROYING PESTS:** Presence of, or conditions likely to lead to the presence of wood destroying pests and organisms and other infestation or infection. Inspection reports covering these items can be separated into two sections: Section 1 identifies areas where infestation or infection is evident. Section 2 identifies areas where there are conditions likely to lead to infestation or infection. A registered structural pest control company is best suited to perform these inspections.
- 4. SOIL STABILITY:** Existence of fill or compacted soil, expansive or contracting soil, susceptibility to slippage, settling or movement, and the adequacy of drainage. (Geotechnical engineers are best suited to determine such conditions, causes and remedies.)

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BIA REVISED 10/02 (PAGE 1 OF 2)

SUBJECT TO COUNTER OFFER
Buyer's Initials (initials)
Seller's Initials (initials)
Reviewed by _____ Date _____



-2009 16:38

LIDO PACIFIC ASSET MANAGE

P.14

kara

951 2458566

11/19/2009 09:58

#265 P.011/012

Property Address: 21293 Johns StDate: 11-18-09**ROOF:** Present condition, age, leaks, and remaining useful life. (Roofing contractors are best suited to determine these conditions.)**POOL/SPA:** Cracks, leaks or operational problems. (Pool contractors are best suited to determine these conditions.)**WASTE DISPOSAL:** Type, size, adequacy, capacity and condition of sewer and septic systems and components, connection to sewer, and applicable fees.**WATER AND UTILITIES; WELL SYSTEMS AND COMPONENTS:** Water and utility availability, use restrictions and costs. Water quality, adequacy, condition, and performance of well systems and components.**ENVIRONMENTAL HAZARDS:** Potential environmental hazards, including, but not limited to, asbestos, lead-based paint and other lead contamination, radon, methane, other gases, fuel oil or chemical storage tanks, contaminated soil or water, hazardous waste, waste disposal sites, electromagnetic fields, nuclear sources, and other substances, materials, products, or conditions (including mold (airborne, toxic or otherwise), fungus or similar contaminants). (For more information on these items, you may consult an appropriate professional or read the booklets "Environmental Hazards: A Guide for Homeowners, Buyers, Landlords and Tenants," "Protect Your Family From Lead in Your Home" or both.)**1. EARTHQUAKES AND FLOODING:** Susceptibility of the Property to earthquake/seismic hazards and propensity of the Property to flood. (A Geologist or Geotechnical Engineer is best suited to provide information on these conditions.)**2. FIRE, HAZARD AND OTHER INSURANCE:** The availability and cost of necessary or desired insurance may vary. The location of the Property in a seismic, flood or fire hazard zone, and other conditions, such as the age of the Property and the claims history of the Property and Buyer, may affect the availability and need for certain types of insurance. Buyer should explore insurance options early as this information may affect other decisions, including the removal of loan and inspection contingencies. (An insurance agent is best suited to provide information on these conditions.)**3. BUILDING PERMITS, ZONING AND GOVERNMENTAL REQUIREMENTS:** Permits, inspections, certificates, zoning, other governmental limitations, restrictions, and requirements affecting the current or future use of the Property, its development or size. (Such information is available from appropriate governmental agencies and private information providers. Brokers are not qualified to review or interpret any such information.)**4. RENTAL PROPERTY RESTRICTIONS:** Some cities and counties impose restrictions that limit the amount of rent that can be charged, the maximum number of occupants; and the right of a landlord to terminate a tenancy. Deadbolt or other locks and security systems for doors and windows, including window bars, should be examined to determine whether they satisfy legal requirements. (Government agencies can provide information about these restrictions and other requirements.)**5. SECURITY AND SAFETY:** State and local Law may require the installation of barriers, access alarms, self-latching mechanisms and/or other measures to decrease the risk to children and other persons of existing swimming pools and hot tubs, as well as various fire safety and other measures concerning other features of the Property. Compliance requirements differ from city to city and county to county. Unless specifically agreed, the Property may not be in compliance with these requirements. (Local government agencies can provide information about these restrictions and other requirements.)**6. NEIGHBORHOOD, AREA, SUBDIVISION CONDITIONS; PERSONAL FACTORS:** Neighborhood or area conditions, including schools, proximity and adequacy of law enforcement, crime statistics, the proximity of registered felons or offenders, fire protection, other government services, availability, adequacy and cost of any speed-wired, wireless internet connections or other telecommunications or other technology services and installations, proximity to commercial, industrial or agricultural activities, existing and proposed transportation, construction and development that may affect noise, view, or traffic, airport noise, noise or odor from any source, wild and domestic animals, other nuisances, hazards, or circumstances, protected species, wetland properties, botanical diseases, historic or other governmentally protected sites or improvements, cemeteries, facilities and condition of common areas of common interest subdivisions, and possible lack of compliance with any governing documents or Homeowners' Association requirements, conditions and influences of significance to certain cultures and/or religions, and personal needs, requirements and preferences of Buyer.

Buyer and Seller acknowledge and agree that Broker: (i) Does not decide what price Buyer should pay or Seller should accept; (ii) Does not guarantee the condition of the Property; (iii) Does not guarantee the performance, adequacy or completeness of inspections, services, products or repairs provided or made by Seller or others; (iv) Does not have an obligation to conduct an inspection of common areas or areas off the site of the Property; (v) Shall not be responsible for identifying defects on the Property, in common areas, or offsite unless such defects are visually observable by an inspection of reasonably accessible areas the Property or are known to Broker; (vi) Shall not be responsible for inspecting public records or permits concerning the title use of Property; (vii) Shall not be responsible for identifying the location of boundary lines or other items affecting title; (viii) Shall not be responsible for verifying square footage, representations of others or information contained in investigation reports, Multiple Listing Service, advertisements, flyers or other promotional material; (ix) Shall not be responsible for providing legal or advice regarding any aspect of a transaction entered into by Buyer or Seller; and (x) Shall not be responsible for providing advice or information that exceeds the knowledge, education and experience required to perform real estate licensed activity. Buyer and Seller agree to seek legal, tax, insurance, title and other desired assistance from appropriate professionals.

By signing below, Buyer and Seller each acknowledge that they have read, understand, accept and have received a Copy of this Advisory. Buyer is encouraged to read it carefully.

Buyer Signature: [Signature] Date: 11/18/09 Buyer Signature: [Signature] Date: 11-18-09

Seller Signature: [Signature] Date: 11/18/09 Seller Signature: _____ Date: _____

THIS FORM HAS BEEN APPROVED BY THE CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.). NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR EFFECT OF ANY PROVISION IN ANY SPECIFIC TRANSACTION. A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE TRANSACTIONS. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.

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SUBJECT TO COUNTER OFFER

Reviewed by _____ Date _____



REVISED 10/02 (PAGE 2 OF 2)

TOTAL P.14

NOV-19-2009 16:33

LIDO PACIFIC ASSET MANAGE

P.04

From:kara

951 2458566

11/19/2009 09:59

#265 P.012/012

00442
Office AU # 1210(8)

OFFICIAL CHECK

SERIAL #: 0044204428

ACCOUNT#: 4861-505337

Purchaser: LOURDES F ESTRADA ARIZU
Purchaser Account: 1544948623
Operator I.D.: cnc15366

September 18, 2009

PAY TO THE ORDER OF ***H.U.D OR JOSE LUIS CASTANEDA ***

Two thousand dollars and no cents

\$2,000.00

WELLS FARGO & COMPANY ISSUER
420 MONTGOMERY STREET
SAN FRANCISCO, CA 94103
PAYABLE AT WELLS FARGO BANK, N.A.
FOR INQUIRIES CALL (480) 394-3122NOTICE TO PURCHASER-IF THIS INSTRUMENT IS LOST,
STOLEN OR DESTROYED, YOU MAY REQUEST CANCELLATION
AND REISSUANCE. AS A CONDITION TO CANCELLATION AND
REISSUANCE, WELLS FARGO & COMPANY MAY IMPOSE A
FEE AND REQUIRE AN INDEMNITY AGREEMENT AND BOND.

VOID IF OVER US \$ 2,000.00

NON-NEGOTIABLE

Purchaser Copy

FB/04 0044204428

00442
Office AU # 1210(8)

OFFICIAL CHECK

0044204428

Operator I.D.: cnc15366

September 18, 2009

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PAYABLE AT WELLS FARGO BANK, N.A.
FOR INQUIRIES CALL (480) 394-3122

VOID IF OVER US \$ 2,000.00

Richard Long
CONTROLLER

0044204428 12100024814861 505337*

In re:
JOSE AVELAR,

Main Document Page 32 of 33

Debtor(s). CASE NUMBER 6:09-bk-11938-MJ

NOTE: When using this form to indicate service of a proposed order, **DO NOT** list any person or entity in Category I. Proposed orders do not generate an NEF because only orders that have been entered are placed on the CM/ECF docket.

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is: **26632 Towne Centre Drive, Suite 300, Foothill Ranch, CA 92610.**

A true and correct copy of the foregoing document described as **NOTICE OF HEARING ON MOTION AND CHAPTER 7 TRUSTEE'S MOTION FOR ORDER: (1) AUTHORIZING SALE OF RESIDENTIAL REAL PROPERTY; (2) APPROVING OVERBID PROCEDURES; AND (3) GRANTING RELATED RELIEF; MEMORANDUM OF POINTS AND AUTHORITIES AND DECLARATIONS OF ROBERT L. GOODRICH AND RICHARD A. HALDERMAN, JR. IN SUPPORT THEREOF** will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner indicated below:

I. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING ("NEF") – Pursuant to controlling General Order(s) and Local Bankruptcy Rule(s) ("LBR"), the foregoing document will be served by the court via NEF and hyperlink to the document. On **December 15, 2009**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following person(s) are on the Electronic Mail Notice List to receive NEF transmission at the email address(es) indicated below:

Melissa Davis mdavis@shbllp.com
Steven J Diamond steve@thebklawyers.com
Robert L Goodrich office@rlgoodrichlaw.com, rgoodrich@ecf.epiqsystems.com
Leonard M Shulman lshulman@shbllp.com
Ramesh Singh claims@recoverycorp.com
United States Trustee (RS) ustpregion16.rs.ecf@usdoj.gov

☐ Service information continued on attached page

II. SERVED BY U.S. MAIL OR OVERNIGHT MAIL(indicate method for each person or entity served): On **December 15, 2009**, I served the following person(s) and/or entity(ies) at the last known address(es) in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States Mail, first class, postage prepaid, and/or with an overnight mail service addressed as follows. *Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.*

Judge's Copy (via U.S. Mail)

Honorable Meredith Jury
United States Bankruptcy Court
3420 Twelfth Street, Suite 345
Riverside, CA 92501-3819

☒ Service information continued on attached page

III. SERVED BY PERSONAL DELIVERY, FACSIMILE TRANSMISSION OR EMAIL (indicate method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on _____, I served the following person(s) and/or entity(ies) by personal delivery, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. *Listing the judge here constitutes a declaration that personal delivery on the judge will be completed no later than 24 hours after the document is filed.*

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

December 15, 2009

Date

Erlanna L. Lohayza

Type Name



In re:

Main Document Page 33 of 33

JOSE AVELAR,

Debtor(s).

CASE NUMBER 6:09-bk-11938-MJ

SERVICE LIST**DEBTOR**

JOSE AVELAR
781 ALBIZA COURT
PERRIS, CA 92571

CREDITOR LISTING

COUNTRYWIDE HOME LOANS
PO BOX 10423
VAN NUYS, CA 91410

SCHEDULE D CREDITOR

RANDOLPH & SUZANNE LEVIN
2683 VIA DE LA VALLE #G-423
DEL MAR, CA 92014

CREDITOR LISTING

ZALES
PO BOX 9025
DES MOINES, IA 50368-9025

CREDITOR LISTING

BANK OF AMERICA
PO BOX 15026
WILMINGTON, DE 19850-5026

CREDITOR LISTING

DELL FINANCIAL SERVICES
PO BOX 6403
CAROL STREAM, IL 60197-6403

SCHEDULE E CREDITOR

RIVERSIDE COUNTY
4080 LEMON STREET
RIVERSIDE, CA 92502

INTERESTED PARTY

RICHARD A HALDERMAN JR
LIDO PACIFIC ASSET MANAGEMENT
4000 BIRCH STREET #113
NEWPORT BEACH, CA 92660

SCHEDULE D CREDITOR

BANK OF THE WEST
PO BOX 4002
CONCORD, CA 94524-4002

CREDITOR LISTING

NAUTILUS /HC PROCESSING CENTER
PO BOX 1309
LOWELL, AR 72745

CREDITOR LISTING

WASHINGTON MUTUAL
PO BOX 6868
LAKE WORTH, FL 33466-6868